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ANDORRA

Statement by H.E. Mr Juli Minoves Triquell
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(Speaking as an Observer)

Let me first of all thank the Mexican authorities for their superb organization of this Fifth WTO Ministerial Conference in Cancún. Andorra welcomes the choice of this beautiful corner of Latin America as the backdrop for our work. Like Andorra, Cancún owes much of its development to tourism, an essential economic activity that deserves to receive more attention in WTO negotiations. In this connection, my country and the World Tourism Organization (WTO) have taken this opportunity in Cancún to conclude an agreement providing for a specialized office of that international organization to be set up in Andorra.

My first thoughts go to Anna Lindh, my fellow Minister of Foreign Affairs from Sweden, who has been cruelly assassinated. May her renowned and tenacious commitment to sustainable development become the guiding light for our work in Cancún.

The Principality of Andorra has yet to become a WTO Member. We became an observer following the initiation of our accession process in autumn 1997 and, since then, we have been making slow but steady progress towards our goal of full membership. To begin with, a working party was set up, under the expert chairmanship of Ambassador Benedict Johnson of Iceland. We presented a Memorandum, followed by the relevant offers, and, shortly before the Seattle Conference, the working party held its first meeting. Following Seattle, and Doha, where we attended the Conference, and following two visits to Andorra by Ambassador Johnson, we recently submitted to the Organization our replies to the questions about our application. We are now preparing a revised Memorandum, which will be submitted to the WTO by the end of this year.

What stage have we reached on the major issues? Our customs union in respect of trade with the EU facilitates our accession with regard to trade in goods. The negotiations on services require extensive consultations with the major players at the WTO. We are making swift progress with the protection of intellectual property: I am pleased to announce that, at the end of July, I submitted the Berne, Paris and Rome Conventions to parliament for adoption. With that beneficial step for Andorra, a prerequisite for our accession has been fulfilled. Some States have already asked for bilateral talks to start and we will be initiating dialogue with them over the coming months.

The WTO is a universal organization. By facilitating the accession of small States like Andorra, it is becoming larger all the time. But what advantages might there be for Andorra? In fact, we are taking a chance on our future. By acceding to the WTO, Andorra hopes to be better equipped to develop other sectors of its economy, by producing more goods and services than the few it has at the present time. However, Andorra has no export industry: its economic sectors are very specific, and it would be dangerous to conclude our negotiations with the WTO too fast. Therefore, we will

take gradual, careful steps forward in the negotiation process. We shall also take into account the specificity of a very small economy such as ours. Rapid changes that can be absorbed by large economies by compensating in other sectors are fatal for tiny economies. Thus, we must be wary not to be outwitted by the WTO's major players, for reasons quite apart from trade in goods and services with Andorra, but relating to confrontations of a different nature. This happens too often in the WTO, and small countries should be entitled to pursue negotiations specific to their real trade characteristics.

This problem is one of the reasons why the WTO and the globalization phenomenon give rise to such divisions among so many people and the media. Trade between nations generates wealth, and must be encouraged, but only if it is done on fair terms. We cannot turn the large, rich countries into impregnable fortresses and expect to see sustainable development in many third world States that export raw materials at discount prices. To the proper extent, developed countries need to demonstrate their generosity in ways other than through direct development assistance, which is nevertheless important, and to which my country makes an increasing contribution. At the same time, greater efforts must be made with regard to governance in many developing countries.

The WTO is neither the evil demon many people think it to be, nor the guardian angel of trade. It helps nations to prosper by facilitating trade. It will also contribute to development by facilitating, for example, access to medicines for the peoples of the third world. Nevertheless, it falls to Member States, and future members, through their desire for justice, to ensure the fairness of the WTO. That is our renewed commitment here in Cancún.
